

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

| | | |
|---------------------------------|---|------------------|
| In the Matter of the Protest of |) | |
| |) | DOCKET NO. 19467 |
| [REDACTED], |) | |
| |) | DECISION |
| Petitioner. |) | |
| _____ |) | |

On April 4, 2006, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayer), proposing income tax, penalty, and interest for taxable years 2000 through 2003 in the total amount of \$3,979.

The taxpayer filed a timely appeal. He did not request a hearing or submit additional information. Therefore, the Tax Commission, having reviewed the file, hereby issues its decision based upon the information contained in the file.

Because Tax Commission records showed the taxpayer met the state income tax filing requirements and had not filed Idaho returns for taxable years 2000 through 2003, the Bureau attempted to contact the taxpayer for clarification. The taxpayer did not respond.

[Redacted] Idaho Code § 63-3045 (1)(a) states:

63-3045. Notice of redetermination or deficiency --
Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax commission and obtain redetermination of the deficiency.

Determining the taxpayer had a requirement to file resident individual income tax returns, the Bureau prepared Idaho returns on his behalf and sent him a Notice of Deficiency Determination. In response to the notice, the taxpayer sent a letter of protest.

After considerable delay and several letters without hearing anything further from the taxpayer, his file was transferred to the Legal/Tax Policy Division for administrative review. He did not respond to a letter from the Tax Appeals Specialist advising him of his appeal rights.

The taxpayer does not deny he has a requirement to file Idaho individual income tax returns. However, he has not filed the returns for the years 2000 and 2003 and has submitted nothing that would cast doubt on the Bureau's determination that was based on records retained by the [Redacted], Idaho Department of Labor, and Tax Commission.

The deficiency was determined using a filing status of single with one exemption and the standard deduction. Withholding that could be identified in Tax Commission records and the grocery credit reduced each year's tax amount.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of his argument, the taxpayer has failed to meet his burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

Subsequent to the issuance of the Notice of Deficiency Determination, additional withholding was identified for tax year 2003. The Notice of Deficiency Determination is modified to reflect that additional credit.

WHEREFORE, the Notice of Deficiency Determination dated April 4, 2006, is hereby

MODIFIED and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that the taxpayer pay the following tax, penalty, and interest:

| <u>YEAR</u> | <u>TAX</u> | <u>PENALTY</u> | <u>INTEREST</u> | <u>TOTAL</u> |
|-------------|------------|----------------|-----------------|--------------|
| 2000 | \$436 | \$109 | \$152 | \$697 |
| 2001 | 380 | 95 | 103 | 578 |
| 2002 | 454 | 114 | 95 | 663 |
| 2003 | 987 | 247 | 153 | <u>1,387</u> |
| | | | TOTAL | \$3,325 |

Interest is computed through November 15, 2006.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of taxpayer's right to appeal this decision is enclosed with this decision.

DATED this ____ day of _____, 2006.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE

I hereby certify that on this __ day of _____, 2006, a copy of the within and foregoing DECISION was served by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]
[REDACTED]

Receipt No.